



DEPARTMENT OF THE NAVY
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20350

SECNAVINST 4200.30
ASN(M, RA&L)
9 AUG 1977

SECNAV INSTRUCTION 4200.30

From: Secretary of the Navy

Subj: Federal Procurement Institute

Encl: (1) DoD Directive 5100.83 of 9 February 1977
(hereby implemented)

1. Purpose. To transmit enclosure (1) for information and compliance, as appropriate.

EDWARD HIDALGO
Assistant Secretary of the Navy
(Manpower, Reserve Affairs & Logistics)

Distribution:

SN DL A2A (Independent Offices) (ONR, only)
A3 (CNO)
A4A (CNM)
A5 (Bureaus)
A6 (USMC)
41A (MSC)
FF31 (ADPESC)
FKA1 (Systems Commands Headquarters)
X144 (All Major Field Purchasing Activities)

Stocked:

CO, NAVPUBFORM CEN
5801 Tabor Ave.
Phila., PA 19120



SECNAVINST 4200.30
9 AUG 1977

February 9, 1977
NUMBER 5100.83

ASD (I&L)

Department of Defense Directive

SUBJECT Federal Procurement Institute

Refs.: (a) Federal Procurement Institute, Memorandum of Understanding, Office of Federal Procurement Policy, Office of Management and Budget, May 11, 1976, as amended (enclosure 1).
(b) The Office of Federal Procurement Policy Act, Public Law 93-400, August 30, 1974.
(c) Government Employees Training Act, (P.L. 85-507), 5 U.S.C. 4101 et seq.
(d) Executive Order 11348, "Further Training of Government Employees," April 20, 1967.
(e) Office of Federal Procurement Policy Memorandum, "Establishment of the Federal Procurement Institute," July 14, 1976.

I. PURPOSE

- A. This Directive provides for operation by the Department of Defense of the Federal Procurement Institute (FPI) consistent with the provisions of reference (a). The FPI has been established by the Administrator, Office of Federal Procurement Policy (OFPP), pursuant to the authority vested in references (b), (c), and (d).
- B. In accordance with references (a) and (e), this Directive issues the DoD charter for the Federal Procurement Institute (FPI).

II. APPLICABILITY

The provisions of this Directive apply to the Office of the Secretary of Defense, the Military Departments, and the Defense Agencies (hereinafter referred to collectively as "DoD Components").

III. ORGANIZATION AND MISSION

- A. The FPI, operating under the Office of the Secretary

Enclosure (1)

of Defense as the Executive Agent, serves as the focal point for procurement research and procurement education and training of all Federal personnel engaged in procurement, production, systems acquisition, and grants management (hereinafter referred to as "procurement").

- B. Policy guidance to the Director of the Federal Procurement Institute shall be issued by the FPI Policy Board through the Assistant Secretary of Defense (Installations and Logistics), designated herein as the Organizational Agent.
- C. The FPI will operate consistent with the Memorandum of Understanding (reference (a)) as amended.
- D. The FPI is committed to the policy of developing the skills, knowledge, and abilities of Federal procurement personnel through the establishment and operation of progressive and efficient programs in procurement research, education and training, and thereby providing improved public service, increasing efficiency and economy, building and retaining a skilled and efficient work force, and installing and using the best modern practices and techniques in the conduct of the Government's business.
 - 1. The Institute shall conduct its activities in full cooperation with the participating agencies, the Civil Service Commission, and the Office of Federal Procurement Policy.
 - 2. The FPI shall be the focal point for coordinating the Government-wide planning, development, implementation, and evaluation of programs in procurement research, education and training and career development of procurement personnel.
 - 3. The FPI will make the maximum feasible use of existing facilities and resources of the Executive Branch Departments and Agencies and of the academic community.
 - 4. The FPI shall carry out the following objectives:
 - a. Develop, conduct, and promote undergraduate and graduate programs, executive seminars, and other academic programs.
 - b. Promote, monitor, and conduct research to develop business methods and management techniques that will advance the state-of-the-art in procurement.
 - c. Develop and implement agency and Government-wide career development programs, including the needed education and training.

- d. Develop and implement plans and procedures for the review and evaluation of programs.
- e. Articulate standards by which programs can be developed, measured, and certified.
- f. Monitor and review programs to ensure that they are current and to avoid or eliminate duplication and overlapping.
- g. Develop and maintain a system of communication which will ensure identification of and responsiveness to new issues, developments, and needs in the procurement community.

IV. RESPONSIBILITIES

- A. The Assistant Secretary of Defense for Installations and Logistics is designated the DoD Organizational Agent. The ASD(I&L) shall:
 - 1. Function as the OSD member of the FPI Policy Board.
 - 2. Designate the Chairman for the Interagency Working Committee, when requested.
 - 3. In consultation with the Policy Board, select the Director and Deputy Director, and the Assistant Directors for Career Development, Education and Training, Procurement Research, and Program Evaluation.
- B. The Office of the Director, Defense Research and Engineering, shall provide advice and assistance on request to the FPI on matters involving the systems acquisition aspects of procurement.
- C. The Secretary of the Army is designated the Administrative and Support Agent for the FPI. The Secretary of the Army shall:
 - 1. Provide and maintain facilities essential to the operation of the FPI in a manner commensurate with the importance of its mission to all Federal agencies.
 - 2. Assure that administrative, contract, and resource support is timely and fully adequate for the accomplishment of the mission assigned the FPI. Due to the Federal Government-wide nature of the FPI, recruiting for civilian personnel will be accomplished on a Government-wide/nationwide basis under applicable statutory and civil service procedures, but not subject to internally prescribed DoD/Department of the Army specialized staffing policies. No changes in the

manpower level of the FPI will be made without the approval of the Organizational Agent.

3. Include the FPI annual budget, as reviewed by the Policy Board and approved by the Organizational Agent, in the Department of the Army overall budget and financial plan for FY 1978 and subsequent years in accordance with section V.
- D. The Secretaries of the Army, Navy, and Air Force, and the Director, DSA, each will appoint a senior member of their staff to the FPI Policy Board, appoint a member to the Interagency Working Committee, and support the Interagency Specialized Work Groups in meeting specific program needs as they arise.
- E. The Director, Federal Procurement Institute, will report organizationally to the ASD(I&L).
- F. The FPI Director shall:
1. Carry out the policies and programs formulated for FPI implementation by the Policy Board and as approved by the Assistant Secretary of Defense (Installations and Logistics).
 2. Organize, coordinate, and monitor in coordination with the Interagency Working Committee the work carried out by the Interagency Specialized Work Groups, and other task forces established to assist the FPI staff.
 3. Be the focal point for problem identification and analysis; program planning, design, and development; and program implementation and evaluation, in coordination with the Interagency Working Committee.
 4. Recommend new programs and initiatives to the Interagency Working Committee and the Policy Board.
 5. Compile and submit progress reports on the operation of the FPI at least annually to the FPI Policy Board through the ASD(I&L).
 6. Prepare the requirements statement for the budget for the FPI in coordination with the Interagency Working Committee and submit it through the OASD(I&L) to the Policy Board for review. Subsequently, it will be forwarded to the Secretary of the Army pursuant to paragraph IV.C.3.
 7. Encourage participation by Federal agencies with procurement responsibilities in all FPI programs.

8. Arrange with the participating agencies for the use of the agency facilities, resources, and personnel to assist in carrying out its programs.
9. Programs of the Institute are Government-wide in range; therefore, participation in FPI programs is open to all participating agencies having procurement responsibilities.

V. PROGRAMMING, BUDGETING, ACCOUNTING, AND REPORTING

The Department of the Army shall be responsible for programming, budgeting, financing, accounting, and reporting for all expenses incidental to the operation of the FPI, except as indicated below, and will separately identify all such expenses in its budget and financial plan submission to the Office of the Secretary of Defense.

- A. The pay and allowances (including subsistence), Permanent Change of Station travel expenses of military personnel permanently or temporarily assigned to assist in the management of or operation of the FPI, including instructors, will be borne by the representative Military Department to which such personnel are assigned. The salaries and expenses, including travel, of DoD civilian personnel temporarily assigned will be borne by the Component to which such personnel are permanently assigned.
- B. Pay and allowances and travel costs (not integral to courses of instruction) of DoD military and civilian personnel assigned as students at DoD facilities will be borne by the sponsoring DoD Component.
- C. For training at non-DoD facilities, each DoD Component shall be responsible for funding the salaries, travel, per diem, and tuition costs when required of its personnel.
- D. In accordance with Part III of Executive Order 11348, the DoD Components shall plan, program, and budget for training.
- E. Specialized education and training programs conducted or sponsored by a DoD Component solely for its own personnel shall be funded by that Component.
- F. Each participating DoD Component will furnish annually to the FPI its career development and graduate level education and training requirements for procurement personnel, with a proposed plan for meeting those requirements. These plans will be used by the FPI for its program planning and budgeting.
- G. Federal agencies accepting invitational quotas to DoD training courses will be required to pay all costs such as travel, per

dium, and subsistence. Appropriate tuition fees may be assessed non-DoD activities.

- H. The FPI annual budget is developed by the staff and reviewed and approved by the Policy Board in accordance with the Memorandum of Understanding (reference (a)). The DoD will provide 75% (or such other pro rata share as determined by the Secretary of Defense and the Director, Office of Management and Budget) of the total FPI annual budget, with the balance being provided by the OFPP (or from Agencies/Departments designated by them). The Administrative and Support Agent shall obtain both the DoD share and the OFPP share at the beginning of each operating fiscal year.

VI. EFFECTIVE DATE AND IMPLEMENTATION

This Directive is effective immediately. Two copies of the implementing instructions shall be forwarded to the Office of the Secretary of Defense (Installations and Logistics) within 60 days.



Deputy Secretary of Defense

Enclosure - 1

Memorandum of Understanding,
as amended

PLAN FOR THE ORGANIZATION AND OPERATION
OF THE FEDERAL PROCUREMENT INSTITUTE

1. OPERATING CONCEPTS

a. The Federal Procurement Institute (FPI) will be developed essentially as recommended by the Commission on Government Procurement (COGP), although its scope of responsibility has been broadened to encompass career development. The needs for an FPI and for career development programs for procurement personnel were dramatically documented by the COGP.

b. The FPI is not a place; it is not a building. It is people. People organized into components which form a coordinating system of structured cooperation, operating through a permanent staff. This FPI system is an organized interagency network of interrelated components which will function as a whole to develop and maintain a professional procurement work force. The components are made up of interagency personnel who come together as required to perform collective duties. The FPI will thus exercise a leadership and coordinating role on a Government-wide basis as it evolves to the point of creating and conducting its own programs. When that happens, a central location and facility for the FPI may be feasible and necessary.

c. The FPI is not intended to replace, duplicate, or assume control of agency programs but to fulfill the need for coordination and leadership in the planning, implementation, and evaluation of agency and Government-wide programs. In this role, the FPI will make maximum feasible use of existing programs and resources.

d. FPI programs are defined as those programs that meet predetermined standards and are certified by the FPI. These may be agency-conducted programs, university and other non-Federal programs, and programs conducted by the FPI.

e. The FPI may organize, promote, and conduct education and training programs to meet common unmet needs of the agencies or may designate a lead agency to perform these functions.

f. The FPI staff will receive policy and program guidance and direction from the interagency Policy Board. The operation of the FPI, including the necessary logistical and administrative support, will be the responsibility of the Executive Agent designated by the Administrator for Federal Procurement Policy.

2. ORGANIZATION

The initial organization of the FPI will consist of the following components (Attachment 6):

a. A Policy Board made up of agency principal procurement officials serving at the Assistant Secretary or equivalent level. (Attachment 1.)

b. An Executive Agent (Attachment 2).

c. An FPI staff headed by a Director supported by management-level program managers (Attachment 3).

d. An Interagency Working Committee made up of management-level agency personnel (Attachment 4).

e. Ad hoc Interagency Specialized Work Groups made up of journeyman-level agency specialists (Attachment 5).

ATTACHMENT 1

POLICY BOARD

1. ORGANIZATION

a. Membership on the Board has been determined on the basis of major procurement expenditures and impact of the agency in the procurement process.

b. Members of the Board will be Assistant Secretary or equivalent level. These should be the officials who are responsible for the procurement function in their agencies.

c. The Board will be composed of 20 members,* 17 voting and 3 nonvoting, allocated as follows:

OSD	ERDA	VA	Commerce
Army	NASA	DOT	CSC
Navy	GSA	Treasury	Labor (nonvoting)
Air Force	HEW	USDA	SBA (nonvoting)
DSA	Interior	HUD	OFPP (nonvoting)

d. The Administrator for Federal Procurement Policy is the OFPP member on the Board and will serve as Chairman of the Board.

e. The Director of the FPI will serve as Executive Secretary of the Board.

f. The internal organization of the Board and its operating procedures shall be established by the Board.

g. Board actions will be subject to final approval by the Chairman.

2. FUNCTIONS

a. The primary function of the Policy Board is to provide policy and program guidance and direction to the Director of the FPI.

b. The Board will review the FPI budget and advise the Executive Agent on budgetary requirements for the adequate funding of FPI programs.

c. The Board will establish criteria for the Director and the professional staff positions of the FPI. The Director and the professional staff members will be selected by the Executive Agent in consultation with the Board.

d. Members of the Board will identify and commit agency personnel and resources in their respective agencies needed to develop and implement FPI programs.

e. The Board will create and organize a Board of Visitors or similar prestigious body to review and evaluate the organization, management, facilities, and programs of the FPI after it becomes operational.

f. The Board shall meet quarterly and at such other times as may be determined necessary by the Chairman or by a majority of the Board.

*Policy Board Members

Office of the Secretary of Defense
Department of the Army
Department of the Navy
Department of the Air Force
Defense Supply Agency
Energy Research and Development Administration
National Aeronautics and Space Administration
General Services Administration
Department of Health, Education, and Welfare
Department of the Interior
Veterans Administration
Department of Transportation
Department of the Treasury
Department of Agriculture
Department of Housing and Urban Development
Department of Commerce
Civil Service Commission
Department of Labor (nonvoting)
Small Business Administration (nonvoting)
Office of Federal Procurement Policy (nonvoting)

ATTACHMENT 2

EXECUTIVE AGENT

1. ORGANIZATION

The Office of the Secretary of Defense is designated the Executive Agent for the Federal Procurement Institute.

2. FUNCTIONS

a. Operate the FPI in keeping with the policies issued by the Policy Board.

b. Provide the staff for the FPI. The Director and professional staff members will be selected in consultation with the Policy Board.

c. Provide the necessary logistical support for the FPI.

d. Provide the necessary administrative support and administrative guidance for the FPI.

ATTACHMENT 3

FPI STAFF

1. ORGANIZATION

a. Organizationally, the FPI staff will report to the Office of the Secretary of Defense. The staff will receive policy and program direction and guidance from the Policy Board. Operation of the FPI, including logistical and administrative support, is the responsibility of the Executive Agent.

b. The Executive Agent is responsible for providing the staff. The Director and the professional staff members of the FPI will be selected in consultation with the Policy Board.

c. The initial staff will consist of the following personnel:

Director	1 Supergrade level
Deputy Director	1
Secretaries	2
Program Managers	4
- Career Development	
- Education and Training	
- Procurement Research	
- Program Evaluation	

2. FUNCTIONS

The staff will:

a. Carry out the policies and programs approved for FPI implementation by the Policy Board.

b. Organize, coordinate, and monitor the work carried out by the Interagency Working Committee, the Interagency Specialized Work Groups, and other task forces established to assist the FPI.

c. Be the focal point for problem identification and analysis; program planning, design and development; and program implementation and evaluation, in coordination with the agencies, the Civil Service Commission, and the Office of Federal Procurement Policy.

d. Recommend new programs and initiatives to the Policy Board.

e. Compile progress reports.

f. Prepare the budget for the FPI and submit it to the Policy Board for review.

ATTACHMENT 4

INTERAGENCY WORKING COMMITTEE

1. ORGANIZATION

a. This Committee will be composed of senior level, preferably GS-15 or equivalent, knowledgeable and competent personnel who have managerial and technical expertise in identifying and analyzing problems and in developing and implementing programs in the specialized fields related to the Federal Procurement Institute's mission.

b. Committee membership will be as follows:

(1) Each agency that is a member of the Policy Board will have a member on the Committee.

(2) Agencies not members of the Policy Board are welcome to have a member on the Committee if they so desire.

c. The Director of the FPI will be the Chairman of the Interagency Working Committee.

2. FUNCTIONS

a. The Interagency Working Committee will assist the FPI staff in implementing the policies and programs approved for FPI execution. This will include problem identification and analysis; program planning, design, and development; and program implementation and evaluation.

b. The Committee will assist the FPI staff in organizing and coordinating the activities of the Interagency Specialized Work Groups.

c. Committee members may be assigned as Chairmen of Interagency Specialized Work Groups.

d. Assignment to the Interagency Working Committee is not envisioned as a full-time activity.

e. The Committee will meet at the call of the Chairman of the Committee.

3. SUPPORT

Expenses incurred by the Committee members will be the responsibility of the parent agencies.

ATTACHMENT 5

INTERAGENCY SPECIALIZED WORK GROUPS

1. ORGANIZATION

a. An Interagency Specialized Work Group (ISWG) will be established for specialized fields of concern to the FPI, such as career development and procurement research. Each ISWG will be organized by the FPI staff and the Interagency Working Committee to meet specific program needs as they arise.

b. Members of the ISWGs will normally be personnel who are actively engaged in their field at the journeyman level and will be selected on the basis of their expertise and competence.

c. Each ISWG chairman will be selected by the Interagency Working Committee in coordination with the FPI staff.

d. Each ISWG will have multi-agency representation appropriate to the program needs for which it is established. All agencies that wish to participate may do so.

2. FUNCTIONS

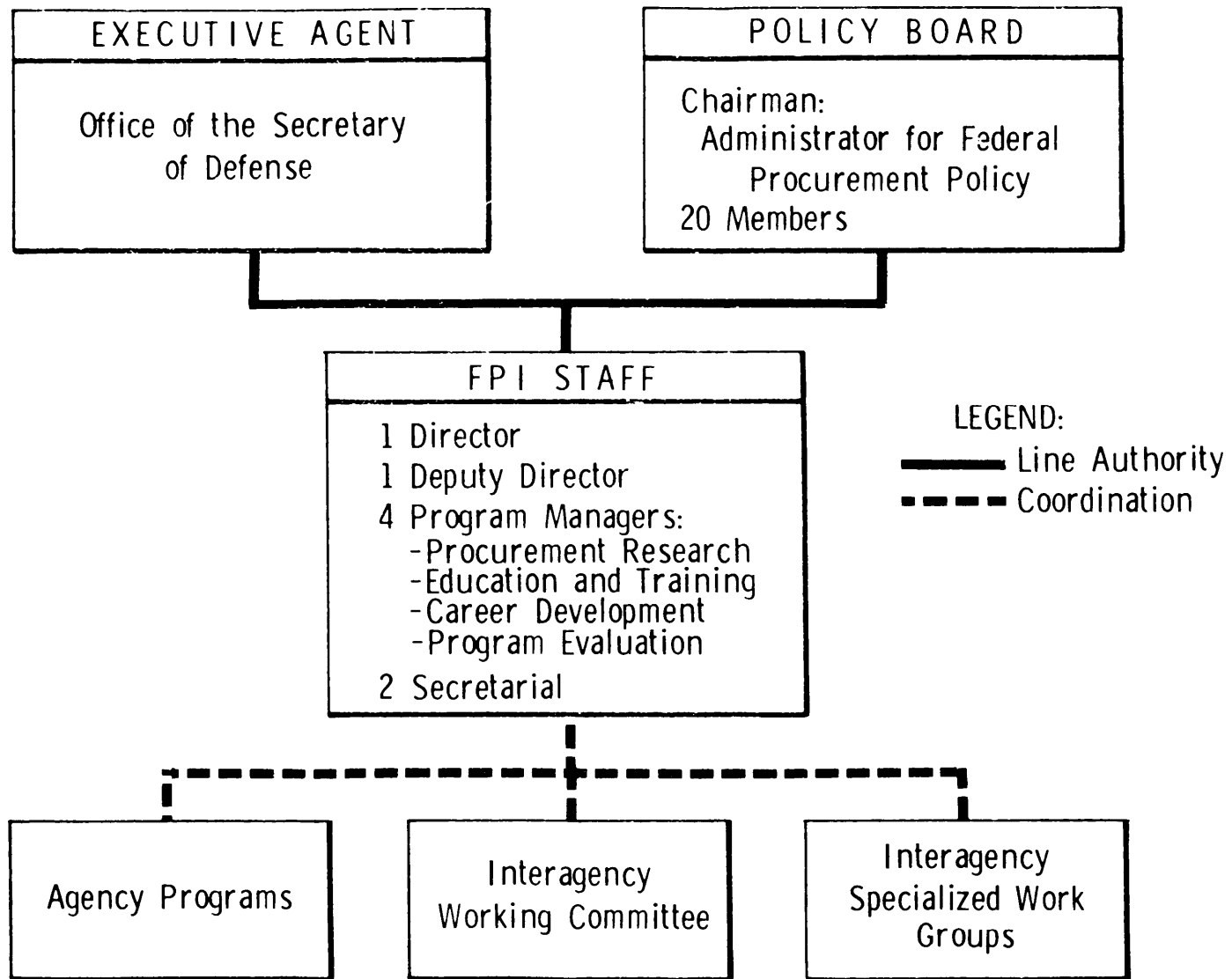
a. The ISWGs will work in coordination with the Interagency Working Committee.

b. The ISWGs will engage in problem identification and analysis and in the development, implementation, evaluation, and monitoring of FPI programs.

3. SUPPORT

Expenses incurred by members of the ISWGs will be the responsibility of the parent agencies.

INITIAL FPI ORGANIZATION



ATTACHMENT 7

FPI FUNCTIONS TO BE INITIATED IN FY 77

1. Coordinate the identification of Government-wide needs and the development of comprehensive plans to meet those needs in procurement research, education and training, and career development.
2. Assist the agencies in improving the evaluation of agency-conducted procurement education and training and of non-Federal procurement education and training programs used by Federal agencies.
3. Assist the agencies in establishing and meeting standards for career development programs and education and training courses and programs.
4. Monitor and evaluate career development programs and education and training courses and programs to certify them and to avoid or eliminate duplication.
5. Encourage colleges and universities to offer courses of instruction and, in some cases, degree programs that prepare people for careers in the Federal procurement field; also assist the schools in developing suitable programs.
6. Promote, monitor, and conduct research to develop business methods and management techniques that will advance the state of the art in procurement.
7. Collect and disseminate to Federal agencies information about education and training opportunities that meet the needs of the Federal procurement community.
8. Maintain a central repository and research library in the field of Federal procurement and grants.
9. Recommend and promote programs of the Civil Service Commission and executive agencies for recruitment, training, career development, and performance evaluation of procurement personnel.
10. Encourage State and local Governments and private sector activities to promote improvements in their procurement work force through collaboration with professional associations having objectives in common with the FPI.

11. Encourage and monitor, in cooperation with the Civil Service Commission and the procuring agencies, the development, implementation, and exchange of personnel management ideas to enhance the procurement field.

12. Conduct or sponsor short courses to prepare instructors of Federal procurement personnel to effectively perform their duties and to keep them abreast of new developments in the field.

13. Conduct or sponsor seminars for supervisory, management, and executive personnel to keep them abreast of new developments in the field.

ATTACHMENT 8

FPI FUNCTIONS TO BE INITIATED IN FY 78

1. Develop and/or administer and finance a program for the development of textbooks and learning materials (e.g., films, filmstrips, programmed learning materials, etc.) needed for the instruction of Federal employees in the procurement field.
2. Publish research findings and other literature and documents relating to procurement management in the Federal service.
3. Operate a residential six to ten-month academic education program to prepare high-potential procurement personnel for key positions in Federal procurement management.
4. Conduct undergraduate and graduate programs in procurement either alone or in conjunction with colleges or universities.
5. Conduct executive seminars to improve the business methods and management techniques of procurement personnel.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

SEP 17 1976

OFFICE OF FEDERAL
PROCUREMENT POLICY

MEMORANDUM TO MEMBERS OF THE FEDERAL PROCUREMENT INSTITUTE
POLICY BOARD

The following two amendments to the FPI Memorandum of Understanding are issued in accordance with the decision made by the Policy Board at the August 12, 1976 meeting to accept these amendments.

Amendment No. 1

STATUTORY AUTHORITY FOR THE FPI

Title 5, U.S. Code, Chapter 41

The authority to establish interagency training centers such as the Federal Procurement Institute is contained in 5 U.S.C. ch. 41 (formerly the Government Employees Training Act). Section 4103 of that chapter provides that: "Two or more agencies jointly may operate under a training program." Section 4104 states in part: "An agency program for the training of employees by, in, and through Government facilities under this chapter shall . . . provide for the making by the agency, to the extent necessary and appropriate, of agreements with other agencies in any branch of the Government, on a reimbursable basis when requested by the other agencies for

- (A) use of Government facilities under the jurisdiction of the other agencies in any branch of the Government; and
- (B) extension to employees of the agency of training programs of other agencies."

Economy Act of 1932

In addition, under the authority in section 601 of the Economy Act of 1932 (31 U.S.C. 686), Federal agencies covered by chapter 41 of title 5 (above) may admit to their training programs employees of other Federal organizations which are not covered by that training authority. The latter organizations must determine that they have funds available for the training and that the arrangement is in the Government's interest.

Intergovernmental Personnel Act

Employees of State and local governments can be admitted to the training programs of Federal agencies under the authority of section 302 of the Intergovernmental Personnel Act (42 U.S.C. 4742).

Intergovernmental Cooperation Act

In addition to the authority provided to Federal agencies under the Intergovernmental Personnel Act to admit State and local government employees to their training programs (as described above), Federal agencies are authorized by section 302 of the Intergovernmental Cooperation Act (42 U.S.C. 4222) to provide specialized or technical services to State and local governments under rules and regulations issued by the Office of Management and Budget.

Foreign Assistance Act of 1961, As Amended

Federal agencies are authorized by section 607(a) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2357(a)) to provide training services to international organizations in which the United States participates or with which the United States is actively cooperating.

United States Information and Educational Exchange Act of 1948

Federal agencies are authorized by section 402 of the United States Information and Educational Exchange Act of 1948 (62 Stat. 9) to provide training to government personnel of another country (or to other nationals of that country) when authorized to do so by the Department of State.

Amendment No. 2

CHANGE IN VOTING STATUS OF THE DEPARTMENT OF LABOR AND SMALL BUSINESS ADMINISTRATION

The Department of Labor and the Small Business Administration are voting members of the FPI Policy Board.



Hugh E. Witt
Chairman, Policy Board
Federal Procurement Institute